

# FINAL BILL REPORT

## HB 2395

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### PARTIAL VETO

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Synopsis as Enacted

**Brief Description:** Regarding leasing and development rights on state lands.

**Sponsors:** By Representatives Fromhold, McDonald and Morrell.

**House Committee on Capital Budget**

**Senate Committee on EnterCommittee**

#### **Background:**

Upon Washington's admission to the United States in 1889, the federal government provided it with approximately 3.2 million acres of land to support public institutions, including common schools, public buildings, and higher education. Washington has retained the majority of these granted lands and now manages about 2.25 million federally granted acres. The state also manages approximately 626,000 acres of state forest lands, beneficiaries of which include counties and junior taxing districts.

The Department of Natural Resources (DNR) manages these trust lands for the state. The DNR generates revenue through the sales of timber and forest products and through leases.

The DNR has the authority to lease state lands for purposes including commercial, industrial, residential, agricultural, and recreational uses in order to obtain a fair market rental return to the state or appropriate trust. The length of the lease is dependent upon its purpose.

#### **Summary:**

The DNR may lease land and development rights on state lands held for the benefit of the common schools to public agencies for terms not to exceed 99 years. The DNR may enter into leases with public agencies through negotiations, which may allow for a lump sum payment for the entire lease term at the beginning of the lease. The leases may include provisions for renewal.

#### **Votes on Final Passage:**

House	93	0
Senate	47	0

**Effective:** July 22, 2007

**Partial Veto Summary:** The Governor vetoed the emergency clause.